

Alliance for Fair Taxation takes its message to Mississippi Mills town council

Mississippi Mills, September 9, 2009: An alliance of three Mississippi Mills community groups took their message of fair taxation to the Mississippi Mills council Tuesday evening. Following a presentation by Shaun McLaughlin, spokesmen for the Alliance for Fair Taxation, the majority of councillors defended their plan to undercharge developers for a new sewage treatment plant.

The Alliance for Fair Taxation consists of the Appleton Community Association (ACA), the Canadian Property Rights Coalition (CPRC), and the Mississippi Mills Residents Association (MMRA). The Alliance opposes plans to heavily tax existing residents for a new sewage treatment plant (STP).

"If the Town does not charge developers the full cost," Mr. McLaughlin stated, "then we believe the Town is forcing existing residents to subsidize the subdivision developers. And that is unfair, especially to those on fixed incomes and young families trying to get started."

The Town has stated the STP will cost an estimated \$28 million and promises that provincial and federal grants will cover two-thirds of that cost, leaving the Town to cover \$9.3 million.

The Alliance says the Town's recent decision to drop the development charges for new homes from \$10,823 to \$7,713 will pass costs to taxpayers that developers should pay, leading to a de facto subsidy. Just \$1745 of the new development charge per residence will go to pay the new plant. Given the Town's estimate of 2000 new homes in 20 years, that raises just \$3.5 million, leaving taxpayers on the hook for nearly \$6 million.

The Alliance points out that, if the Town had left the development charge at the old rate of \$10,823, it would cover the entire STP cost.

The Alliance strongly objects to the Town's proposal to force rural residents to contribute \$933,000 (based on 1/3 of 10% of the current estimated cost) through a new septage levy or tax, and new development charges. The Alliance also questions the 10% estimate since the volume of septage is estimated to be just 1% of the volume of sewage from the urban area.

For more information, contact:

Shaun McLaughlin, MMRA (613) 256-9834

Bill Duncan, CPRC (613) 623-6679

Alison Ball, ACA (613) 257-5032